

FDR's View of Public Sector Unions



Perhaps the most important legacy of Roosevelt's New Deal is that of **big government** and **big government spending**. Prior to his taking office, the federal government's debt was less than \$20 billion. By 1940 the federal debt had ballooned to \$43 billion. By today's standards this increase seems minor, but, nonetheless, it set a crucial precedent. Roosevelt introduced the nation to big government and deficit spending, and both would remain in place in the U.S. long after the New Deal and Roosevelt's Presidency.

FDR's View of Public Sector Unions: Despite being a Progressive Icon, Roosevelt was **very wary of public sector unions and collective bargaining between elected officials and government employees**. FDR realized that government employees have a major say as **voters** and **donors** as to who would be on the other side of the negotiating table. Private sector managers have a strong incentive to negotiate tough but fair deals with Labor. **Elected officials do not**. Rather, politicians have a strong incentive to **placate a very motivated special interest group (i.e., public sector labor unions)**. FDR foresaw the plethora of bad deals (*for taxpayers*) politicians would strike with public sector union leaders for the remainder of the 20th Century and beyond.

For more, check out [The Common-Sense Guide to American History](#).